

SMALL ENTERPRISES AND MUNICIPALITIES SUPPORT PILOT PROGRAM

(TC-98-09-48-7)

EXECUTIVE SUMMARY

Beneficiary and Executing Agency:	Fondo de Inversión Social para el Desarrollo Local (FISDL)		
Beneficiaries:	Micro-, small and medium-sized enterprises, and selected municipalities		
Objectives:	The general objective of the program is to promote the development of private and public sector linkages to ensure better provision of municipal services. The specific objectives of the program are to: (i) raise the awareness of staff of municipalities and smaller scale firms of the opportunities of outsourcing municipal services; (ii) provide training for staff of municipalities in the identification of services to outsource, and in optimal bidding, contracting, regulation, and supervision procedures for contracting services from smaller firms; (iii) provide training and technical assistance to enable these smaller scale firms to participate in this process, and (iv) promote the dissemination of the pilot experiences and lessons learned.		
Financing:	Modality	Grant	
	MIF (Window I)	US\$	627,000
	MIF (Window IIIA)	US\$	773,000
	Recipient:	US\$	600,000
	Total:	US\$	2,000,000
Implementation Schedule:	Execution Period:	42 months	
	Disbursement Period:	48 months	
Contractual conditions:	1. Prior to first disbursement the Fondo de Inversión Social y Desarrollo Local (FISDL) will submit to the satisfaction of the Bank evidence that it has selected the program coordinator in accordance with terms and conditions previously agreed upon with the Bank. Prior to disbursement of funds for Components #1 and #2, the FISDL will present evidence to the Bank that it has (i) established the Fondo de Capacitación Municipal (FOCAM) and the Fondo de Capacitación y Asistencia Técnica (FOCAT) in accordance to the terms and conditions previously agreed with the Bank (see paragraphs 3.5 – 3.12), (ii) entered into effect the operating manual, which will include the operating framework and contracting procedures for the FOCAM and the FOCAT for the management of the program’s activities in accordance with the terms and conditions previously agreed to with the Bank, and (iii) held at least five workshops to disseminate contracting models for, and successful experiences in, municipal service outsourcing (see paragraph 3.20).		
Exceptions to Bank policy:	None		